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UNCLAS SECTION 01 OF 03 DUBLIN 001528

SIPDIS

EPA

E.O. 12958: N/A
TAGS: PREL EI EPA
SUBJECT: IRELAND UNLIKELY TO MEET KYOTO TARGET BUT
CONTINUES TO PURSUE ENVIRONMENTAL REFORMS

¶1. Summary: Ireland is unlikely to meet its Kyoto Protocol emission-reduction target, according to a GOI official and the European Environment Agency (EEA) but continues to pursue international and domestic policies in an attempt to narrow the gap to their targets. Recent figures show that Ireland is 12 percentage points above its Protocol target and project this gap to grow to 13.5 points within the next five years. Among EU-15 states Ireland is second highest in per capita greenhouse gas (GHG) emissions and third highest per GDP. While meeting the Protocol target is not expected, Ireland is planning to participate actively in the EU Emissions Trading Scheme, the Protocol's Joint Implementation (JI) and Clean Development Mechanism (CDM) programs, as well as implementation of domestic policies outlined in the National Climate Change Strategy (NCCS). In recent years Ireland's economy and population have grown significantly, posing a challenge to the country's realistic ability to meet its Protocol targets. End Summary.

GHG EMISSIONS: IRELAND SHOWS IMPROVEMENT
BUT REMAINS AMONG WORST IN EU

¶2. Ireland is unlikely to meet its Kyoto Protocol emission-reduction target, Emboffs were told on December 5 by Frank Maughan, Assistant Principal Officer in the Air/Climate Section of the Department of the Environment, Heritage and Local Government. Under the Protocol, said Maughan, Ireland agreed to reduce emissions to 13 percent over 1990 levels by the end of the first commitment period of 2008-2012. This would involve limiting the annual production of carbon dioxide (CO_2) to 60.4 million tonnes ($MtCO_2$) by 2012. In 2001, Ireland's emission levels reached 31 percent above 1990 levels, and in 2003 these levels decreased to 25 percent over the 1990 figure. According to European Environment Agency (EEA), Ireland is nevertheless one of five European Union (EU) countries most likely not to meet its Kyoto Protocol target even with existing emission-reduction mechanisms in place. Maughan stressed, however, that Ireland remains committed to narrowing the gap between their Kyoto burden share and actual emission levels by the first commitment period (2008-2012) through participation in the EU Emissions Trading Scheme (ETS) and implementation of Ireland's National Climate Change Strategy (NCCS).

¶3. Maughan referred Emboffs to another EEA report released December 2005, which stated that Ireland, per capita, produced 18 tonnes of green house gas (GHG) emissions in 2003, compared to 16 tonnes in 1990. The 2003 figure is one of the highest among all EU states, second to Luxembourg at 24 tonnes per capita. In terms of GHG emissions per GDP for 1990-2003, however, Ireland went from producing nearly 1,500 tonnes per million euro in 1990 to 716 in 2003, one of the largest reductions among EU-15 states. Maughan told Emboffs that this reduction was due to closures of the Cork Steel Plant and the Irish Fertilizer Industry in 2002, cleaner generation of electricity, and reduction in number of livestock. Despite this significant decrease in GHG per GDP, Ireland, as of 2003, remains third worse among EU-15 states in this area, trailing Portugal at 805 tonnes per million euro and Greece at 1,145.

PROJECTIONS

¶4. Irish projections show that by 2010 Ireland will be producing 71.3 $MtCO_2$ per year, 33.3 percent over 1990 levels. According Maughan and the November EEA report, Ireland intends to purchase, through the EU Emissions Trading Scheme (ETS), 3.7 $MtCO_2$ in emission allowances per year, effectively narrowing the projected gap between actual and agreed upon limits to 7.2 $MtCO_2$.

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AGRICULTURE AND TRANSPORTATION: IRELAND'S BIGGEST OFFENDERS
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¶5. Maughan stated that Ireland's agriculture and transportation sectors produce the majority of GHG emissions. Agriculture, the biggest offender, is projected to decrease

emissions by 10 percent in 2010, relative to 1990 levels. This means the sector will go from producing 18.65 MtCO2 per year to 16.7 MtCO2. Maughan suggested that this decrease will be achieved by reduction in number of cattle livestock, cessation of coal firing and use of three new power generation stations by Ireland's main energy producer, Electricity Supply Board (ESB). Maughan expressed concern, however, over a potential over-reliance on oil and gas when used in place of coal-burning for heating and electricity.

¶6. The transportation sector produces 17-18 percent of Ireland's total emissions, up 100 percent from 1990. Maughan pointed out that although Ireland's transportation emissions are below the European average, the number of journeys per person is unusually high. Relative to 1990 levels (5.143 MtCO2), transportation emissions are projected to increase 157 percent (13.2 MtCO2) by 2010. Maughan said that transportation for the industrial sector presents a challenge to lowering this sectors emission levels because the country is not big enough to sustain a major rail system; instead industrial products are transported by road vehicles. Also, Ireland's relatively recent economic prosperity has spurred a surge in private automobile purchases. Although a carbon tax was proposed in Ireland, Maughan cited the GOI's Finance Ministry's position that such a tax is not a policy option, given the rising cost of energy.

KYOTO GAP NARROWED BY EMISSION
TRADING AND DOMESTIC POLICY

¶7. Maughan said that Ireland hoped to approach its Kyoto targets through the EU Emissions Trading Scheme (ETS). There is a total of nearly 11,400 participating fossil fuel generating facilities and large industrial energy users among EU states, 105 of which are from Ireland. Maughan commented on Ireland's limited participation in the EU ETS, noting that since the country's growth is not reliant on big industries, some sectors included in the EU ETS are not present in Ireland. Ireland is allocated 22.32 million tonnes of GHG emissions for each of the three ETS pilot years (2005-2007) and, according to Maughan, each year the GOI plans to purchase an additional 3.7 million tonnes of allowances. He predicted that allowances will cost between euro 15 and 30 per tonne. This would cost the GOI anywhere from euro 334.8 million to 669.6 million per year.

¶8. The National Climate Change Strategy (NCCS), published by the GOI Department of the Environment, Heritage and Local Government in October 2000, provides another mechanism for Ireland to meet its Kyoto Protocol commitments. The strategy anticipates coordinated action with the EU and international partners largely through buying and selling of emission allowances in the international market. Domestically the strategy involves an Interdepartmental Climate Change Team (IDCCT), which acts as a steering committee for the first and second phases of the Kyoto Protocol commitments by bringing together members from various government departments to ensure implementation of domestic environmental policies.

¶9. Environmental policy in Ireland includes the Air Quality Standards Regulation 2002, the Rural Transport Initiative 2002, Large Combustion Plants Regulations 2003 and the National Ban on Bituminous Coal and Petcoke (2002). Policies target the energy, transportation, agriculture, industry, waste, residential and forestry sectors. Maughan told Emboffs that legislation often provides financial incentives and disincentives for polluting activities, such as the Vehicle Registration Tax (VRT) requiring all car owners to pay a tax of 20 to 25 percent of the total vehicle cost, with a 50 percent tax relief for owners of hybrids. In addition to pay incentives, other policies promote informed consumption. For example, regulations are in place requiring the Society of Irish Motor Industry (SIMI) to publish an annual guide, distributed to all dealerships and new car buyers, detailing fuel efficiency and CO2 emissions of all new vehicle makes and models. In addition to this, dealerships are required to display in a prominent place on new cars CO2 emission and fuel economy levels.

¶10. The National Climate Change Strategy also promotes greater use of sustainable energy. It mandated the establishment of Sustainable Energy Ireland (SEI) to regulate and promote renewable energy initiatives, peat power stations and fuel switching. The GOI has invested euro 3 billion in public transportation and other infrastructure improvements to encourage a shift of traffic from roads to rail and ship.

COMMENT

¶11. The U.S. and its decision to abstain from the Kyoto Protocol commitments have long been subject to critical media reporting, but especially during the November-December 2005

Montreal Conference. However, as the first commitment period, 2008-2012, quickly approaches, Irish reporters and politicians are awakening to the fact that Ireland will not be able to meet its own Kyoto commitments. For example, a December 14 op-ed in the Irish Independent daily newspaper compared the United States and Ireland as honest and dishonest polluters, respectively, in the context of the Montreal Conference. We expect that this contradiction will begin to temper the critical tone of popular opinion toward the USG in the coming years.
KENNY